

Volume No. 1 - Policies and Procedures	<b>TOPIC NO</b>	<b>20110</b>
Function No. 20000 – General Accounting	<b>TOPIC</b>	<b>Operating Expenditure Plan</b>
Section No. 20100 – Appropriations	<b>DATE</b>	June 1998

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## Overview

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### Introduction

The Commonwealth Accounting and Reporting System (CARS) has the capability to accept and report two separate operating expenditure plans for each agency.

DPB operating plans resulting from agency budget submissions to the Department of Planning and Budget (DPB) are entered into CARS via interface files. Monthly, an ACTR1499 Report, "Agency Budget Plans--Expenditures by Programs or Projects," is produced for each agency comparing actual to planned expenditures by program/subprogram at the subobject level. The DPB operating plan is discussed in detail in the Policy section below.

Agency operating expenditure plans can be input to CARS directly from agencies and serves as a budget tool to assist the agency in managing its financial resources. Monthly, an ACTR1499 Report, *Agency Expenditure Plans—Expenditures by Programs or Projects*, is produced for each agency which submits the required information as detailed below.

Expenditure levels will not be controlled by the amounts indicated in the agency operating expenditure plan. Expenditures are controlled centrally by agency, program (or capital project), and fund/fund detail according to the approved amounts for each appropriation and allotment and the availability of cash in the applicable fund/fund detail. Procedures for submitting or revising agency operating expenditure plans are provided in the Procedures section below.

These plans can be tailored to agencies' needs to monitor expenditures of internal activities, organizational units, and/or projects. Accordingly, the tailored agency operating expenditure plan may be classified to the desired level of any of the following data elements:

- internal organizational structure identified by cost codes
- fund/fund detail
- project/task/phase
- object or subobject

Agencies desiring to use the tailored expenditure plan capability should carefully review their internal management structures before determining which of the above elements will be used to classify expenditure plans.

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## Policy

### **Submission and Revision of DPB Operating Plan**

The original Department of Planning and Budget (DPB) operating plan is established with convenience subobject codes (See CAPP Topic No. 60108 for subobject codes.) DPB enters this data into the Commonwealth's Programmatic Budgeting System (PROBUD), and through disc exchange from DPB, the original operating plans are entered into CARS.

Changes to the original plan are made by agency submission of DPB Form 27, Appropriation/Allotment/Operating Plan Adjustment Request via FATS (Form 27/27A Automated Transaction System). FATS generates two updates, one for PROBUD and the other for DOA for input into CARS.

The mechanism in CARS for reporting DPB operating plans is the ACTR1499 Report. Option B1 of the ACTR1499, "Agency Budget Plans--Expenditures by Programs or Projects," compares actual expenditures at the subobject code level for each operating subprogram to planned expenditures at the same level. Option B2 of the ACTR1499, "Agency Budget Plans--Expenditures by Programs or Projects," compares actual expenditures at the subobject level for each capital project to planned expenditures at the same level.

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## Policy, Continued

### Submission and Revision of Agency Operating Expenditure Plan

Original submissions and revisions to agency operating expenditure plans may be submitted during the year using the Agency Operating Expenditure Plan form (DA-02-180). Substantial revisions to any plan are discouraged. Such changes would include major realignments in the plan classification structure and realignment of actual historical expenditures. However, adjustments resulting from approved appropriation changes and allotments are appropriate. After agency operating expenditure plans are properly coded, agencies should process these transactions to CARS in accordance with CAPP Volume 3, Topic No. 70235—*Input Batching*.

The mechanism in CARS for reporting agency operating expenditure plans is the ACTR1499 Report. The ACTR1499, Option A1, "Agency Operating Plans--Expenditures by Programs or Projects," compares actual expenditures at the subobject code level for each operating program, subprogram and element to planned expenditures at the same level. The ACTR1499, Option A2, "Agency Operating Plans--Expenditures by Programs or Projects," compares actual expenditures at the subobject level for each capital and noncapital project, task and phase, to planned expenditures at the same level.

Agencies are not required to submit agency operating expenditure plans. However, if agencies require more detail than that provided in the DPB operating plans, an agency operating expenditure plan should be submitted.

It is the agency's responsibility to ensure that the totals of the agency expenditure operating plan equals the total of the DPB operating plan. Consequently, when an agency adjusts its DPB operating plan, it should adjust its agency expenditure operating plan.

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## Form Preparation

### How to Prepare an Agency Operation Expenditure Plan, Form DA-02-180

Below are instructions for preparing the Agency Operating Expenditure Plan, Form DA-02-180, for submission to DOA. Please use all coding lines on the form set before starting another form. All valid, preassigned codes are listed in applicable sections of this manual. **The numbered items below correspond with the same numbers circled on the following sample form.**

1	<b>Sheet</b>	When all information has been coded, the forms must be numbered consecutively. Also, enter the total number of form sets.
2	<b>Agency Number</b>	The agency number for which the plan is prepared must be shown on each form.
3	<b>Agency Name</b>	The agency name for which the plan is prepared must be shown on each form.
4	<b>TRAN</b>	Required 3-digit Transaction Code: 890 - Establish/Increase 891 - Decrease
5	<b>Agency</b>	Required 3-digit Agency Code.
6	<b>GLA</b>	Leave blank.
7	<b>Fund/Detail</b>	Optional 4-digit Fund/Fund Detail Code.
8	<b>FFY</b>	Required 2-digit Funding Fiscal Year in which expenditures are planned.
9	<b>PROG</b>	Required 3-digit Program Code of agency expenditures planned for a program as defined in the Appropriation Act.
10	<b>SUB</b>	Optional 2-digit code for Subprogram.
11	<b>ELE</b>	Optional 2-digit code for Element.
12	<b>Object</b>	Optional Object/Subobject of expenditure planned for a specific program or project. Expenditures may be planned at the detailed 4-digit subobject level or the 2-digit object level. Also, the agency may choose to plan some expenditures for the total agency at the subobject level; or for a specific level; or a combination. Expenses of a recurring nature should be shown at the subobject level by organizational unit or location.

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## Form Preparation, Continued

### How to Prepare an Agency Operation Expenditure Plan, Form DA-02-180 (continued)

13	<b>Revenue Source</b>	Leave blank.
14	<b>Amount</b>	Total amount of all coded transactions should equal all appropriated amount(s).
15	<b>Project</b>	Optional 5-digit Project Code Number. Project code must be entered for all capital outlay projects. Agencies must also use the mandatory project codes for applicable federal grant programs (see CAPP Volume 2, Topic No. 60110, "Project Codes") and special (other) projects established by DOA.
16	<b>TK</b>	Optional 2-digit Project Task.
17	<b>PH</b>	Optional 2-digit Project Phase.
18	<b>Cost Code</b>	Optional 3-digit Cost Code references expenditures by: (1) internal organizational structure - an individual division, section, etc., within the agency; (2) Project/task/ phase; or (3) FIPS code for a specific geographic location.
19	<b>FIPS</b>	Optional 3-digit FIPS code (leave blank if FIPS code is referenced by cost code).
20	<b>PSD</b>	Optional 3-digit Political Subdivision Code (leave blank if location code is referenced by cost code).
21	<b>Agency Reference</b>	Optional 9-digit agency reference number.
22	<b>Vendor Invoice Date</b>	Leave blank.
23	<b>Vendor Invoice No.</b>	Leave blank.
24	<b>Due Date</b>	Leave blank.
25	<b>Reference Document No.</b>	Leave blank.
26	<b>SX</b>	Leave blank.
27	<b>Description</b>	Optional 22-character field to allow a description of the transaction.
28	<b>Current Document No.</b>	Leave blank.
29	<b>SX</b>	Leave blank.
30	<b>Subsidiary Account</b>	Leave blank.
31	<b>Multi-Purpose</b>	Optional six-digit Multi-Purpose Code.

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## Internal Control

### Internal Control

Agencies should implement procedures to ensure that the total of the agency expenditure operating plans equals the total of the DPB operating plan thus increasing the internal controls over expenditure monitoring.

## Records Retention

### Records Retention

For Federal funds, agencies should maintain records in accordance with applicable Federal regulations. Otherwise, agencies should maintain records for at least three years, or until audited by the Auditor of Public Accounts (APA) or Federal auditors.

## DOA Contact

### Contact

Manager, General Accounting  
Voice: (804) 225-2244  
E-Mail: [gacct@doa.virginia.gov](mailto:gacct@doa.virginia.gov)

## Subject Cross References

### References

CAPP Topic No. 60110—*Project Codes*  
  
CAPP Topic No. 70235—*Input Batching*